Transcript from 12/7/12 news conference announcing CMS approval of KanCare

Gov. Sam Brownback

Welcome you all today, and thank you for joining us for a long-awaited announcement. After two years of gathering input from stakeholders, consumers and advocates, traveling thousands of miles around the state and holding numerous meetings, phone calls and webinars. While we are finalizing the terms and conditions, today we are excited to announce that the Center for Medicare and Medicaid Services has given Kansas the go ahead to fully implement KanCare, beginning January 1, 2013.

I want to particularly congratulate the team that's here and Dr. Colyer for putting this together and getting this accomplishment. It is extraordinary. It has been tedious. And it's very important. KanCare is truly what Kansas needs—a way for us to improve the coordination and quality of care for more than 380,000 Kansans, while making the Medicaid program more fiscally sustainable. And these are things we've been after all along, to do both improve the quality of care, maintain and improve its fiscal sustainability of this program. This is something that governors all across America are searching for the way forward with expanding Medicaid portfolios and costs.

I want to thank CMS and the thousands of Kansas consumers and providers for working with us on making KanCare a Kansas solution. I'd like to especially thank Lt. Governor Dr. Colyer, Dr. Moser, Secretary Sullivan and their staffs for working tirelessly to improve the Kansas Medicaid system for all consumers and providers.

Now I'd like to turn this over to Lt. Governor Jeff Colyer to talk more specifically about what today's announcement means, Jeff?

Sec. Dr. Jeff Colyer (by phone)

Thank you Governor. Sorry that I couldn't be there. I had a family thing that came up this week, so I'm missing the fun in Topeka. But we're very excited about today's announcement. In the last two hours, CMS and the State of Kansas have been reaching out to Kansas stakeholders to let them know about the CMS decision that we are removing any uncertainty about KanCare beginning on January first. (Inaudible) uncertainty for both consumers and providers. And it offers us a great opportunity to move forward.

Now, when we began this effort nearly two years ago, Kansas faced skyrocketing Medicaid costs. We had growing waiting lists. We had high Medicare and poor outcomes. None of these were acceptable for our most vulnerable Kansans. So that is why we chose to go the route of KanCare rather than (inaudible) saving money.

KanCare is based on three criteria—number one, improving quality of care; number two, controlling costs; and number three, making sure we have long-lasting reforms that improve the quality of health and the quality of wellness Kansans. We could have done some things like other states. KanCare will not cut off thousands of Medicaid recipients by reducing (inaudible) like the neighboring state Missouri. KanCare will not make double-digit rate cuts to providers like was done in Kansas or in California previously. Instead, KanCare is going to coordinate our care for our patients to focus on the best outcomes for the individual Kansans, especially for those who have the greatest needs. By doing that, we can actually save money.

KanCare will reward positive outcomes for patients and not the simple fee-for-service model. KanCare provides choices and creative options for Kansans, unlike the situation now. Under KanCare, every

Kansan in Medicaid will have at least three different choices that will make the best sense for them to achieve their care. And, instead of cutting rates and instead of cutting people off and instead of cutting benefits, because we are able to save money and improve health care, we're actually able to expand the services that are available in Kansas Medicaid. And this is an important change. We are now able to offer heart and lung transplants for adults, obesity care and bariatric surgery and also providing dental care benefits for adults. These are new additions, new benefits we have by using the KanCare model.

KanCare will also allow Kansans with developmental disabilities to continue to work with their current case managers. And that is very important that we keep that continuity. State law ensures that the CDDOs will conduct either directly or by subcontract, their waiver determination, case management in their services. KanCare will also reduce the number of people unnecessarily living in institutional settings. It will decrease rehospitalizations. We're going to manage chronic conditions through coordinating and integrating behavioral health, their medical care and their long-term services.

Another unique thing about KanCare is that KanCare will provide an off ramp to help route people, dependent to Medicaid through work. And in the end, not only can we expect to have better results and better outcomes for Kansas patients, but the state also expects to net more than $1 billion savings through improved care coordination during the next five years.

I want to thank Governor Brownback for allowing us to spend two years to totally revamp our Kansas Medicaid program and that was one that was a very difficult decision, but a very important one, because we are so concerned about the situation with our patients (inaudible) in the State of Kansas. This really moves us forward in a very positive way. I also want to thank especially the whole team—Dr. Moser, Secretary Sullivan, but also Kari Bruffet and Dr. Susan Mosier, our Medicaid Director and Health Finance Directors for their hard work. There's a very large team that's been involved with this process. And they have really done a fabulous job for the State of Kansas. Thank you Governor, thank you very much.

Gov. Sam Brownback
Thank you Jeff, appreciate it. One of the things I'm really excited about it is the expanded services that we're going to be able to provide—heart transplant, bariatric and then preventative dental, really is a big deal. So, instead of cutting services, cutting providers, we're adding.

This is the way forward, folks. This is the way forward. You're going to see a lot of states doing this sort of model.

I next want to call up Shawn Sullivan, the Secretary for disabilities and aging services for comments. Shawn.

Sec. Shawn Sullivan
Thank you. Thank you Governor and Liuetenant Governor. It's an honor and great to be with you this afternoon.

Now that KanCare has been approved, we want to know that, consumers to know that our outreach efforts will not stop and they will continue. We'll continue to try and reach out and provide education and help people understand the plans and what their options are and how they can choose between the plans.

We believe KanCare will provide a stronger safety net for the over 383,000 that we will serve. Our vision when we set out this process almost two years ago was to have a Medicaid program that would be fiscally sustainable program and that provide high-quality care and services to all that we serve.

I want to also acknowledge the hard work of our staff that have put in so many hours, probably thousands of hours into this effort.

This is interesting, this conferences and I talk to my colleagues and some states, the long-term services and supports agencies, like ours, can't even get their Medicaid agency, like KDHE to pick up the phone and return a call. So, it's been amazing to watch this process over the last two years and the amazing team work between the two agencies, the collaboration between the two as we've jointly worked forward with trying to provide better care to those we serve.

So, in addition to that, I do want to highlight a couple of things that we think are extremely important to help us ensure that we're providing services in as seamless as possible transition to KanCare on January first. So, a couple of those things are excuse me, the State of Kansas believes it's extremely important to maintain a continuity of care for the 380+,000 that we serve. So, the consumers and persons we serve that have appointments and established relationships with providers will be able to keep those for the first 90 days of KanCare after January first.

The three plans will honor all plans of care and all services plans will honor all appointments and they will honor all established member/provider relationships. So, what that means, if there is a provider, whether that be a hospital, a nursing home, HCBS provider, whoever it may be, if they are currently not signed up into one of the three managed care plans or any of them, they will still be treated as an in-network provider and be paid 100 percent of the current rate as they move forward for the first 90 days. And that will allow them to have more time to work through the specifics and to sign up with contracts with one of the three plans.

In addition to that, for any members that we serve that live in residential settings, so an example of that would be a nursing homes or assisted living facilities, the plans will pay those homes and providers for one year, the first year, in network reimbursement rate. So, if there are any residential facilities that are not within the provider networks, so they'll continue to be paid the in-house, in-network plan for one year. And that's our provision to maintain that we don't have any consumers that are having to move out of their primary residences, where they live.

On the Home and Community Based Services side of things, or HCBS for short, we've added some continuity of care provisions that are very important as we work forward, move forward. As a person has what's called a "plan of care" on December 31st, through the current system, fee-for-service system, the plans must honor that plan of care for the first 90 days of KanCare or until a new plan of care is established—whichever comes first. And if the KanCare plan, one of the three is not able to or does not develop a plan of care for that person in the first 90 days then there will be a new 90-day time frame that will start, that will allow for that continuity of care and then also for that person to change plans should they need to and desire to.

Um, one, couple more things, the three plans will be required to make sure that specialty care is available to all that we serve and to meet federal and state distance or travel time standards. If the managed care organization does not have a specialist available to members within those standards, they must allow members to see out-of-network providers.

And then finally, if one of the three plans is unable to provide medically-necessary services in the network, then it must cover those services out-of-network and have a single case arrangement or agreement so non-network providers to provide those covered services.

So, those are all important things that we consider continuity of care requirements to help us serve better those that we serve as we roll into KanCare with this transition.

Two more things and then I'll turn it over to Dr. Secretary Moser. We have created and developed a plan for a new KanCare consumer ombudsman. That person will be available to all that we serve that will try to focus on the long-term services and supports consumers and families and guardians within nursing facilities in the Home and Community Based Services programs to assist them with what they need. So, we have several different avenues for a person to file grievances and appeals and work through differences that may be there, both at the state level and the managed care organization level.

This ombudsman will be housed in Department for Aging and Disability Services. (dial tone), we're disconnecting here. and also, will be reporting to me within our agency. So, that will be a new resource that will be up and going by January 1st of next year when we start.

And then lastly, to help with the transition, there will be daily calls that will be available, starting the day after Christmas on December 26. I believe those start at nine in the morning, for stakeholders. And that would involve providers, consumers, family members, guardians, anyone that wants to can call in and participate on this and ask questions and as they have concerns as this starts, bring them up to us so we can address them and resolve them as expeditiously as possible.

Thank you again to our staff and also to CMS for the great work that they've done to get to this point. At this point, I'll turn it over to Secretary Moser.

Sec. Dr. Bob Moser

Good afternoon. First I want to thank Governor Brownback and Lt. Governor Dr. Colyer for their leadership and also echo Sec. Sullivan's comments about the great working relationship between our sister agencies and of course our staff and their dedication in making this happen.

It has been a great working relationship with CMS, both their regional and central office. And we definitely wouldn't have gotten here without their work. And we'll have to just admit, basically this is great news. It's uh, perhaps a mile post. We've had a great deal of work to continue moving forward. You've heard a couple of terms, as a family physician, I'm really excited about the model of care that is coming with KanCare to our Medicaid consumers.

Continuity of care we know, particularly in primary care, whether that's behavioral health, social services or the medical side, goes a long ways in addressing health care costs and improving health care quality. So, to have that as part of the core component in this model, I think is outstanding. And I know lt. Gov. Dr. Colyer has talked in the past about holistic care. And I think at times, that's a little bit confusing. And at times we call it the bio/psych/social model of care. And that again, just comes back to the fact that we look at the care the patient needs and what needs to be surrounding them in order to get the outcomes and the improvement in quality that we're looking for. And, so that again, doesn't matter whether they need social services or whether it's behavioral health or the physical health. But, as a physician, I knew even if I knew the right medication to prescribe for a patient, if they didn't have the

funds to buy that prescription or they didn't have the transportation to come back and get the laboratory, no matter if it was the correct diagnosis or the right prescription medication, the outcome and the care wasn't going to be optimum.

So, the model that we've come up with—KanCare—goes a long ways to start improving the care that we give to those vulnerable citizens in Kansas and will in the long run, also start controlling the cost growth.

So, very excited about this. And again, thank you for your patience and your work with us.